Agency Name: Board of Financial Institutions

Statutory Authority: 34-26-210

Document Number: 5283

Proposed in State Register Volume and Issue: 48/8

House Committee: Reg., Admin. Procedures, AI and Cybersecurity

Senate Committee: Banking and Insurance Committee

120 Day Review Expiration Date for Automatic Approval: 01/18/2026

Status: Pending

Subject: Authority to Engage in Activities Authorized for Federally Chartered Institutions

History: 5283

By Date Action Description Jt. Res. No. Expiration Date

- 08/23/2024 Proposed Reg Published in SR

- 01/14/2025 Received President of the Senate & Speaker 01/18/2026

H 01/14/2025 Referred to Committee

S 01/14/2025 Referred to Committee

S 03/04/2025 Resolution Introduced to Approve 411

Document No. 5283

**STATE BOARD OF FINANCIAL INSTITUTIONS**

CHAPTER 15

Statutory Authority: 1976 Code Section 34‑26‑210

15‑42. Authority to Engage in Activities Authorized for Federally Chartered Institutions.

**Synopsis:**

The State Board of Financial Institutions (BOFI) proposes to repeal Regulation 15‑42 as it references repealed sections of the South Carolina Code, and because its language conflicts with existing statutory branching provisions, and because credit union trust powers are now addressed in Section 34‑26‑940.

The Notice of Drafting was published in the *State Register* on June 28, 2024. The Proposed Regulation was published in the *State Register* on August 23, 2024.

**Instructions:**

Repeal the regulation in its entirety.

~~Indicates Matter Stricken~~

Indicates New Matter

**Text:**

15‑42. ~~Authority to Engage in Activities Authorized for Federally Chartered Institutions.~~

~~(Statutory Authority: 1976 Code Section 34‑27‑30)~~

 ~~After making application to the Board of Bank Control and obtaining approval of the Board, State‑chartered credit unions may establish branches, PROVIDED, the branch serves only those employees who have a common bond of employment.~~

 ~~State‑chartered credit unions are hereby authorized to act as trustee or custodian of any trust authorized by the Federal Self‑employed Individuals Tax Retirement Act of 1962, as amended (The Keogh‑Smathers Act) and of 1974 (ERISA) Section 401(d) (Keogh‑Smathers Act) or Section 408(a) which authorizes Individual Retirement Accounts (IRA).~~

Repealed.

**Fiscal Impact Statement:**

There will be no cost incurred by the State or any of its political subdivisions.

**Statement of Rationale:**

15‑42 references repealed sections of the South Carolina Code, and its language conflicts with existing statutory branching provisions. Credit union trust powers are now addressed in Section 34‑26‑940. The State Board of Financial Institutions proposes to delete this regulation.